



**MINUTES FROM THE MEETING OF
THE ABLE TASK FORCE
APRIL 5, 2017**

A Meeting of the ABLE Task Force was held on April 5, 2017 at 10:00 AM
in the Conference Room of the Office of the State Treasurer ("OST")
Located at 820 Silver Lake Blvd., Suite 100, Dover, DE 19904

Task Force Members Represented or in Attendance:

The Honorable Ken Simpler, State Treasurer
Mr. Ralph Cetrulo, Member, Plans Management Board ("PMB") (Telephonically)
Ms. Diann Jones, Public Member (Telephonically)
Mr. Don Shandler, Member PMB (Telephonically)

Task Force Members Not in Attendance:

The Honorable Trey Paradee, State Representative
Mr. Rick Geisenberger, Secretary, Department of Finance
Ms. Angie Ehst, Public Member
Mr. Rick Kosmalski, Public Member

Others in Attendance:

Mr. Jason Staib, Deputy Attorney General
Mr. John Meyer, Director of Contributions and Plans Management, OST
Mr. Mike Green, Financial Investment Program Manager, OST
Mr. Dan Kimmel, Financial Investment Program Manager, OST
Mr. Omar Masood, Policy Advisor, OST
Ms. Martha Sturtevant, Executive Assistant, OST –*Recorder*

CALLED TO ORDER

The meeting was called to order at 10:09 AM.

ABLE UPDATE

OST presented an update on the ABLE Consortium. Mr. Masood reviewed their policy on governance, as well as investment and customization options. He noted that costs are competitive with joining potential host states and that some marketing dollars may be available to Delaware (but likely small based on accounts and investment balances). Members discussed the pros and cons of the Consortium.

Members compared the options of simply joining the Consortium versus undertaking a RFP for a Delaware ABLE plan and/or a joint RFP with the College 529 Plan. There was a concern that a stand-alone Delaware plan might not be cost competitive for participants and the State with the Consortium and/or other plans offered by other

states. Mr. Masood clarified that a stand-alone plan could be cost-effective given current market developments, particularly if joined with the 529 plan. Members considered that notwithstanding a RFP process, Delaware retains the option to join the Consortium at any time (or explore a fourth option as a “facilitator”). Members generally agreed that a robust discovery process through a joint RFP would provide the most competitive opportunity for a Delaware ABLE plan.

The members considered the pros and cons of delaying plan implementation until after the RFP process. The members considered the additional time and cost of engaging a consultant. OST provided an overview of the proposed timeline for drafting a joint RFP with the College 529 Plan that could be completed by calendar year end.

EXTENSION OF THE TASK FORCE

OST suggested its intent to make a recommendation to the PMB to extend the Task Force throughout the duration of the RFP process. The Task Force could make a final review of the draft RFP to ensure the disability community’s needs are reflected in the RFP. Members approved of extending the Task Force and acknowledged the value of having the disability community represented throughout the process.

ABLE COMMUNITY OUTREACH

OST solicited suggestions for community outreach during the RFP process and acknowledged that the accelerated timetable would limit OST’s capacity to effect same. Members concurred that OST’s focus should be on the RFZP process and that outreach should be limited to maintaining updates to the ABLE process on the OST website.

OST noted that the office has been in communication with Autism Delaware and the Downs Syndrome Association. Members suggested that the United Cerebral Palsy and Easter Seals community also be engaged. Ms. Jones offered assistance in drafting disability friendly language for any future communications.

LEGAL

Mr. Staib stated that the fee structure of the Consortium likely falls under the procurement cap. Mr. Staib also noted that the Consortium likely would be considered a “sole source” provider under the procurement code.

Mr. Staib reviewed findings from discussions with other states concerning fiduciary duties. States varied in their approaches. Several states had little or no in-house expertise and provided minimal oversight. One state hired an outside consultant and another had an investment expert on staff. Members agreed that further research on these issues was warranted during the RFP process.

DISCUSSION

Members discussed the proposed recommendations to the PMB.

OST agreed to prepare a memo for review by the Task Force to formally present to the PMB recommending a comprehensive RFP process to be bid in tandem with the College 529 RFP.

OST agreed to distribute a draft of the memo as well as any outstanding Task Force minutes prior to the remaining Task Force meeting.

PUBLIC COMMENTS

No members of the public present for comment.

NEXT MEETING

The next Task Force meeting will be held on April 18th to approve the draft ABLE memo and Task Force minutes.

The next PMB meeting is April 25th.

ADJOURNMENT

A MOTION was made by Ms. Jones and seconded by Mr. Cetrulo to adjourn the meeting of the ABLE Task Force at 10:51 AM.

MOTION ADOPTED UNANIMOUSLY

Respectfully submitted,

Kenneth A. Simpler, State Treasurer
Chair, ABLE Task Force

Martha Sturtevant
OST, Executive Assistant to the Treasurer, *Recorder*